



Staff Report for Council Meeting

Date of Meeting: March 23, 2022

Report Number: SRCM.22.02

Department: Office of the City Manager
Division: Strategy and Government Relations

Subject: **SRCM.22.02 – Active Transportation Fund –
Richmond Hill Contribution Commitment**

Purpose:

The purpose of this report is to seek Council approval to submit an application for funding to the Federal Ministry of Infrastructure and Communities Active Transportation Fund for the David Dunlap Observatory (DDO) Park Pedestrian/Cyclist Bridge and Recreation Trails, and further approve the City's portion of the costs should the application be successful.

Recommendation(s):

- a) That Council endorse the City's submission of an application to the Federal Ministry of Infrastructure and Communities Active Transportation Fund for the David Dunlap Observatory Park Pedestrian/Cyclist Bridge and Recreation Trails; and
- b) That, should the grant application be successful, Council approve the City's allocation of 40% (\$2.12 million) of the \$5.3 million eligible project cost, as well as \$800,000 in ineligible costs, for a total City contribution of \$2.92 million to be funded from the Parks and Recreation Development Charges Reserve Fund and Cash-in-lieu of Parkland Reserve Fund between 2022-2026, with in-year funding values to be determined.

Contact Person:

Stephanie Graham, Coordinator, Strategy and Government Relations

Report Approval:

Submitted by: Lise Conde, Manager, Strategy and Government Relations

Approved by: Darlene Joslin, Interim City Manager

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All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner, and City Manager. Details of the reports approval are attached.

Background:

On February 12, 2021, the Federal Ministry of Infrastructure and Communities announced the launch of the Active Transportation Fund (ATF) Program. As part of Canada's 'Strengthened Climate Plan for a Healthy Environment and Healthy Economy', the ATF program will deliver \$400 million in funding over the next five years to fund infrastructure projects that expand and enhance active transportation networks in communities and support Canada's National Active Transportation Strategy.

Funding applications must be submitted by the deadline on March 31, 2022. The ATF will fund 60% of eligible project costs for capital projects with a total value of up to \$50 million.

Staff have identified the DDO Park Pedestrian/Cyclist Bridge and Recreation Trails as the best candidate for this grant opportunity in consideration of the criteria and objectives of the fund. Due to the technical nature of the funding program criteria, the specific scope of the project that will be included in the application is in the process of being determined.

While Council endorsement is not an explicit requirement of the application, in submitting an application to the ATF, the City is committing to securing the necessary capital financing to be sourced from the Parks and Recreation Development Charges Reserve Fund and Cash-in-lieu of Parkland Reserve Fund to proceed if the project is approved for federal funding. As such, staff are seeking advanced Council endorsement of the submission of an application to this fund which requires a \$2.92 million commitment from the City. This approach ensures the City is positioned to submit the application as soon as is possible, with a secured commitment to fund the City's portion of the work should the application be approved.

This project has already been identified in the Development Charges Background Study, requiring development charges and City funding. This grant will reduce the overall financial impact to the City. Having this work 60% funded by a grant makes it especially advantageous for the City and taxpayers to approve the remaining 40% commitment outside of the normal capital budget process, which is why this is being brought forward to Council for consideration.

If the City is not successful with the grant, this work will proceed through regular approvals to move forward in capital planning. There is already approved funding for design in the 2022 capital budget and construction is identified in the forecast for 2023 and 2024.

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Financial/Staffing/Other Implications:

Staff are requesting that Council approve a capital expenditure of up to \$2.92 (40% of maximum eligible project cost and \$800,000 ineligible project costs) for the DDO Park Pedestrian/Cyclist Bridge and Recreation Trails, contingent on successful award of up to \$3.18 million towards the project (60% of maximum eligible projects costs) through the Active Transportation Fund. As an active transportation infrastructure investment, the City's portion of the funding is to be sourced from the Parks and Recreation Development Charges Reserve Fund and Cash-in-lieu of Parkland Reserve Fund. Due to the terms of the grant, the Federal Gas Tax Fund is not permitted to cover the City's portion of expenses.

This project and financial approval is contingent on funding being received and will not be advanced in the event that the ATF application is not successful.

While the ATF fund does not commit to an application review and/or funding award timeline, the program provides funding for work from 2022-2026. The grant-contingent \$2.92 million requested through this report will be incurred over this time period, with specific in-year draws to be determined based on funding award and subsequent project execution timing.

Relationship to Council's Strategic Priorities 2020-2022:

Pursuing the Active Transportation Fund is in support of Fiscal Responsibility, one of Council's 2020-2022 Strategic Priorities. Additionally, the proposed project also supports the second Strategic Priority, Balancing Growth and Green, as one of the primary objectives of this funding program is to support capital projects that encourage a modal shift away from cars towards active transportation and improving the resilience of communities.

Climate Change Considerations:

The proposed Active Transportation Fund application includes building and enhancing multi-use recreation trails in the DDO Parklands which will contribute to climate change mitigation by a shifting away from motor vehicles towards active transportation, thereby helping to lower the City's GHG emissions.

Conclusion:

The Government of Canada announced the Active Transportation Fund, a 5-year \$400 million investment in support of infrastructure projects that expand and enhance active transportation networks in communities of all types and sizes and support Canada's National Active Transportation Strategy. Staff are preparing an application for the David Dunlap Observatory Park Pedestrian/Cyclist Bridge and Recreation Trails which aligns with the funding criteria. Council approval is required for the City's portion of the project costs, should the funding application be successful.

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Report Approval Details

Document Title:	SRCM.22.02 Active Transportation Fund – Richmond Hill Contribution Commitment.docx
Attachments:	
Final Approval Date:	Mar 10, 2022

This report and all of its attachments were approved and signed as outlined below:

David Dexter - Mar 10, 2022 - 4:20 PM

Darlene Joslin - Mar 10, 2022 - 5:08 PM